SALES & MARKETING MANAGEMENT

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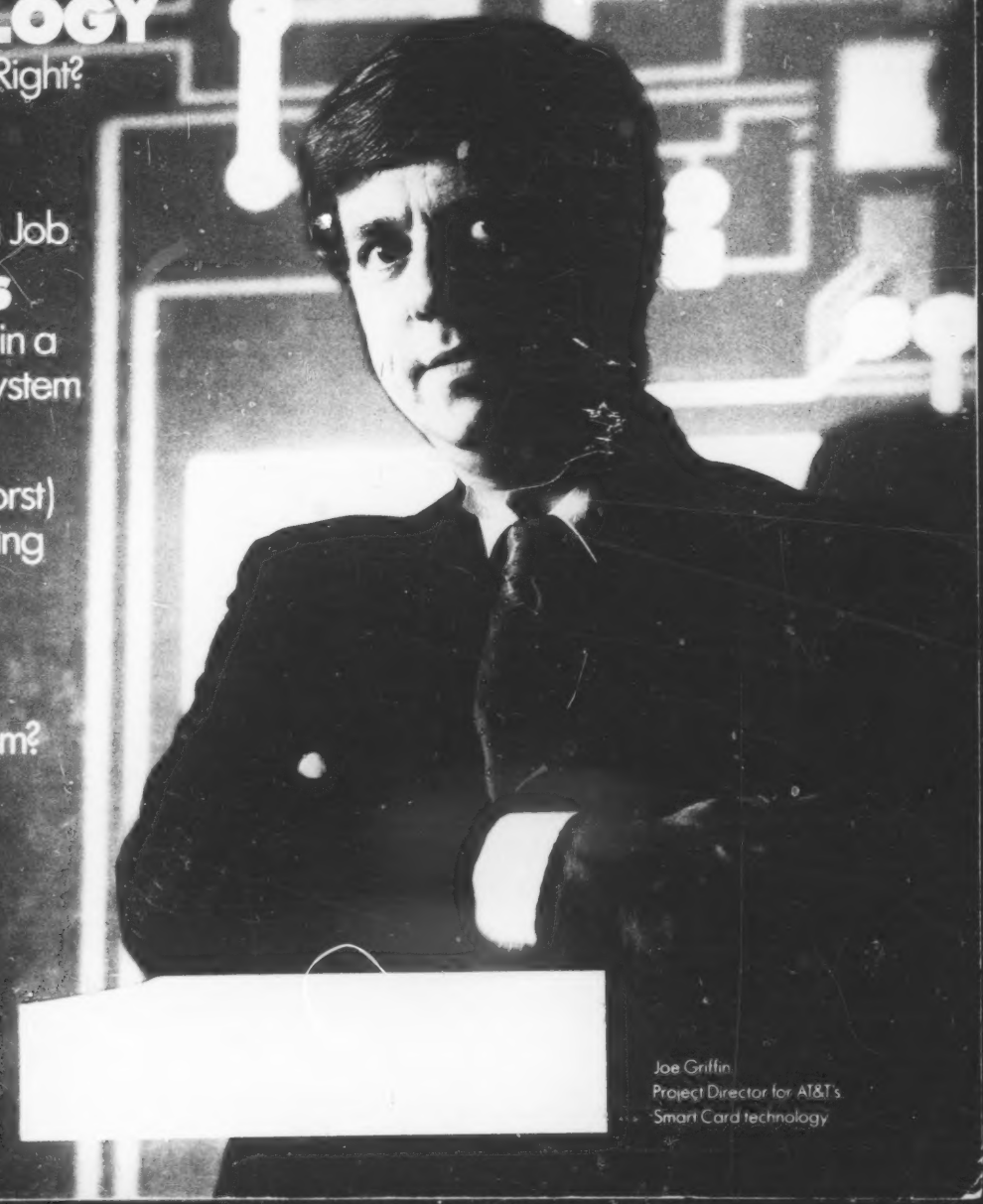
MARKETING A NEW TECHNOLOGY
Can AT&T Time It Right?

HIRING
A New Twist: "Auditioning" for a Job

SALES TOOLS
What to Look for in a Portable Video System

SELF-HELP
The Best (and Worst) Books about Selling

COMPUTERS
Which Database Solves Which Marketing Problem?



Joe Griffin
Project Director for AT&T's
Smart Card technology

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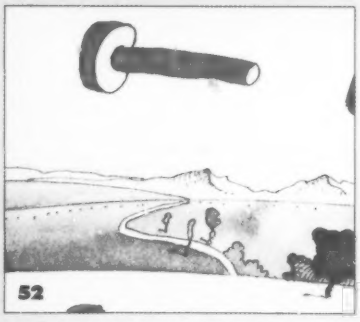

COVER PHOTOGRAPH BY CHRISS WADE

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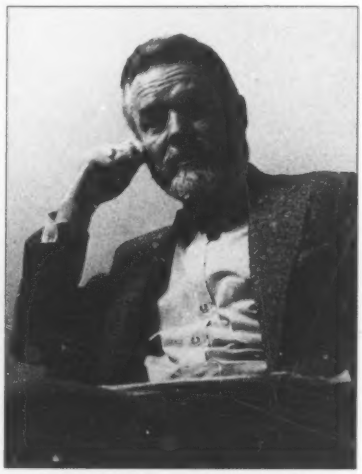
EDITOR'S SIDE POCKET

ONE MAN'S INSPIRATION



What does Vince Lombardi have to do with Ray Kroc? And what do the football coach and the founder of McDonald's have to do with Maria Montessori, who pioneered a unique approach to teaching children?

According to a highly successful entrepreneur I heard recently, these three acted as mentors for him at various stages of his business career. From Lombardi he learned to keep it simple but to execute perfectly; from Kroc, some hamburger homilies; and from Montessori he was taught the depressing effect on creativity of always being told, "You can't do this" and "You can't do that."

Particularly profound? No. In fact, cynics might dismiss these lessons as truisms. But for this man these thoughts were guideposts for his life. I suspect that a lot of good advice (and bad) depends less upon its intrinsic worth than upon striking the right ears at the right time.

A classic example: Norman Vincent Peale's *The Power of Positive Thinking*. Probably no other self-help book has been praised more gloriously or panned more vehemently. But it has not only survived, it has endured. Positive thinking—and such corollary techniques as "imaging" and "visualization"—have become cornerstones of the new self-help movement. Dr. Peale has also endured: He recently celebrated his 90th birthday.

These thoughts are brought to mind by an article in this issue, "The Best (and Worst) Books About Selling" (page 47). These books are not, strictly speaking, inspirational, but in any book about selling the inspirational element looms large. Since most sales executives I know have books that they swear by, I think you'll enjoy reading about your colleagues' favorite choices, and maybe learn something even without reading them. As the noted management consultant Yogi Berra once said, "You can observe a lot just by watching."

Inspiration and mentorism is old stuff. New is the concept of formal job tryouts on an executive level. In his article, "A New Twist: Auditioning for a Job," senior editor Arthur Bragg talks about something that most employers and job seekers would still prefer not to talk about—that is, taking a job for a trial period, with the understanding that there's no guarantee of employment beyond the prescribed time. Now, you might argue that there are no guarantees in any job, and you'd be right. Indeed, some employers make a point of telling you that. I recall a job where, the first day I showed up, I was asked to sign a piece of paper that said that I'd be closely watched for three months and if I didn't measure up I'd be fired—"no hard feelings." If there's a worse way to start your relationship with an employee, I don't know it. (As you might suspect, it was an unhappy shop; I went to three going-away parties the first week I was there.)

But auditioning goes beyond simple poor management practices, into murky ethical areas. A sales manager might very well be exploited—that is, his contacts and relationships within an industry milked during his trial period. Apparently that's been the case, at least with some sales and marketing executives. I recommend Bragg's article to you. It may set you thinking.

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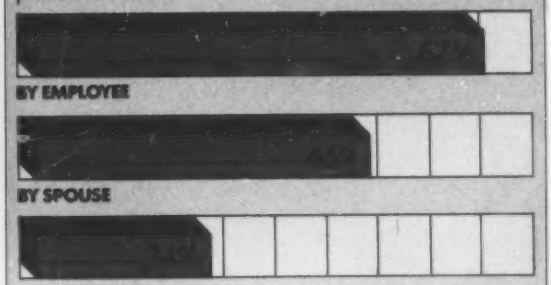
SHORT TAKES

A Not Quite Free Ride

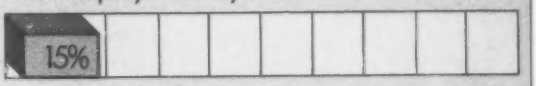
The National Assn. of Fleet Administrators recently surveyed its members on personal use of company cars, touching on aspects ranging from average miles driven per month to reimbursement policies. Over 460 fleet managers responded, representing more than half-a-million vehicles. Following are the results:

■ Percentage of companies that permit personal use:



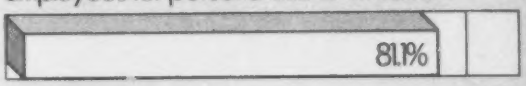
Average personal miles per month—408.

■ Percentage of companies that set maximum miles employees may drive:

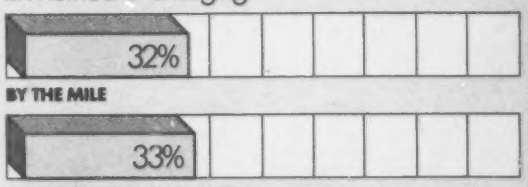


Average limit—388 miles.

■ Percentage of companies that charge employees for personal use of vehicles:



■ Method of charging:



The rest use a combination of both or another, unspecified, method.

■ Amount employees are charged per mile—17.5¢.

■ Amount employees are reimbursed for using personal car for company use—21.4¢.

Circle No. 128 on Reader Service Card

EMPTY POCKETS CAN YIELD WORKABLE LEADS

A pocketful of handwritten sales leads on scraps on paper. That's what exhibitor salespeople returning from trade shows usually bring home. But now there's a PC that may take over the chore of recording sales leads for them. The result: fewer lost leads and faster follow-up.

Such is the promise offered by Michael Nolan's Free World Marketing, Newport Beach, CA, whose lead collection and management system combines magnetic stripe technology with a software program called ProMotion. Nolan, a 15-year marketing executive in the medical products industry before starting his company in December 1986, asserts that his system shortens the time it takes to capture lead information at the booth, drastically cuts post-show lost sales leads, and generates reports that salespeople can use to follow-up leads after the show, as well as enabling managers to track the fate of the leads more effectively.

The system replaces the standard mechanical imprinter with a magstripe encoded to capture demographic data that qualifies booth visitors by such criteria as industry, product interest, or area of concern. When the visitor's ID card is fed into a magstripe reader (rental: about $60 for the length of the show), which is linked to a PC, ProMotion (purchase cost: $495; rental cost for a trade show: $50) sends the information into a lead fulfillment database and flashes the information for up to 14 different fields such as first and last names, address, and industry onto the screen. "If you sell power supplies and the information indicates the visitor is interested in active components," Nolan says, "you have a better idea of what to tell him." ProMotion also includes a notepad section in which the salesperson keys in comments that will be helpful in subsequent sales calls.

The new system can also shorten sales cycles. "When you return home after the show," Nolan explains, "you have a computer file of prequalified leads you can work with right away. Using ProMotion's word processing component or interfacing with any of the popular WP packages such as WordStar or WordPerfect, you can quickly send personalized letters to the booth visitors. That's important if you believe the first salesperson to reach a prospect after a trade show has a better chance of getting the order. If you use the standard imprinter, you have to figure on about 15 hours, or two days minimum, to key 500 leads into a PC."

Still, old habits die hard. Nolan expects to have his system used in at least eight trade shows this year, including some of the biggest—the winter and summer Consumer Electronics shows and the National Assn. of Broadcasters convention. However, some of the shows will offer both the magstripe and mechanical imprinter versions because some exhibitors are not ready for the newer technology.

Nolan primarily targets his selling efforts at the companies handling trade show registration. Registration Control Systems and Compusystems have bought his idea, he claims, adding: "Those two probably handle ninety percent of the trade shows in the U.S."

He thinks the system also makes buying a laptop cost-justifiable for marketers. "Renting a desktop PC for a trade show generally runs around $200," he says. "If you do five trade shows a year, you recover the cost of a laptop, plus you have the machine available for other uses." At least one vendor, GRiD Systems, the Fremont, CA, manufacturer of laptops, has already approached Nolan about the possibility of marketing ProMotion along with their hardware.

Once he has a strong beachhead in the trade show market, Nolan will push ProMotion in the business advertising and direct mail fields. The program can import advertising-inspired inquiries from publishers via a modem or from mail houses via a floppy diskette.

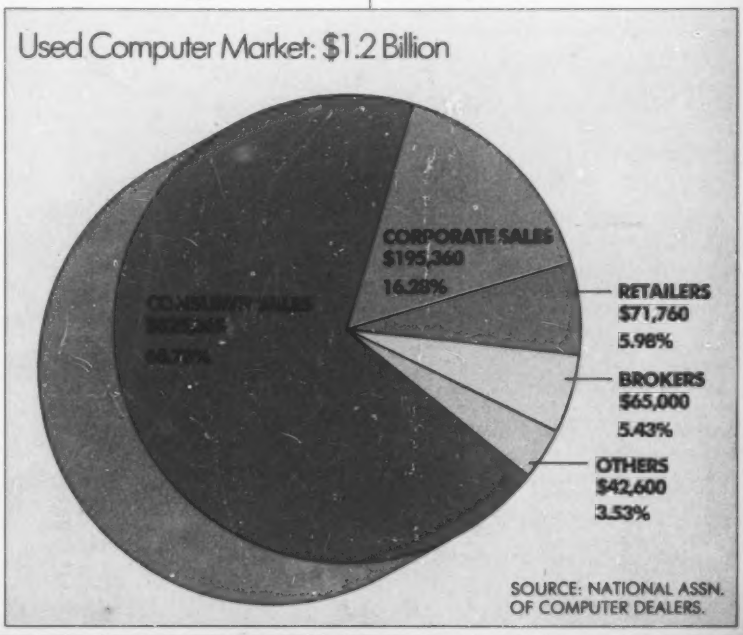
"TEST DRIVING" USED PCs

There's a booming "used" micro market, especially important for those marketers who feel the cost of a new PC is too high for their budgets. A research project by the National Assn. of Computer Dealers, Houston, put this new market at $1.2 billion in 1987; and executive director Ray C. Davis expects that figure to rise to $1.8 billion this year, noting that a dramatic advance in technology always spurs interest in secondhand machines. Businesses that want to add to their current models without having to change software are prime candidates for the purchase of used machines, he adds.

In contrast to the traditional policy of mini and mainframe makers, PC vendors do not accept trade-ins. Davis thinks they may change their tune as competition to lure users to the new generation machines increases.

Competition in used micros is forcing prices upwards. The resale price of an Apple computer is 67.23% of the selling price of a new unit, up 4.1% over the past year, Davis says. Compaq models, at 73.21%, are up 3.87%. The resale price of used IBM PCs, however, has remained at 63.14% of the original price.

The association's *Computer Blue Book* provides the list price, street selling price, and dealers' wholesale price for 12,500 new and used hardware and software products.



SIGNIFICANT TRENDS

"PINK GHETTO" IN SALES FOR WOMEN?

Will history repeat itself where women in sales are concerned? Field sales occupations are attracting women at an impressive clip. According to an annual survey (1987 version: 350 companies with 12,000 saleseople) by Personnel Corp. of America (PCA), a Norwalk, CT, human resource management consultant, the proportion of women in the U.S.'s field sales forces skyrocketed from 1981-1987, more than doubling from 7.3% to 17.6%. In the same period, women as a share of the U.S.'s total labor force (employed and unemployed) rose at a much slower pace, from 52.1% to 56.0%

A big catalyst for the phenomenal increase of women in sales, says William O'Connell, a partner at PCA and head of the firm's sales management practices department, is the more equitable compensation structure in the sales field. "Compensation in sales jobs is more closely related to performance than in office jobs, O'Connell says. "Performance in sales is quantitatively measured whereas in office jobs it's qualitatively measured. Good performers who are more interested in getting paid on the basis of their performance have always been attracted to sales, and women are no exception. Thus, self-confident, ambitious women who want to get around the forty percent gap between male and female compensation see selling as a golden opportunity."

Talks with clients, he adds, "tend to reinforce that impression. They invariably tell me that women are well represented among the top quintile of their sales producers."

However, there is a dark side to this encouraging trend. Specifically, women are not enjoying sales success across the board—there is an alarming disparity in their ability to secure sales jobs on an industry basis.

This is underscored when you compare PCA's figures for the best and worst industries when it comes to hiring saleswomen (see table, above). Among the top five industries with the highest percentage of saleswomen, the percentages range from a glittering 40% to 61%; among the lowest five industries, an abyssmal 0% to 3%; and the long-range trend is definitely moving downward.

Women in Sales
The Best Industries . . .

	% of Sales Force 1981	1987
Textile & apparel	21%	61%
Utilities	48	59
Banks & financial services	24	58
Housewares	37	50
Publishing	31	49
Food products	10	40

. . . and the worst

General machinery	1%	0%
Aerospace	1	0
Transportation equipment	2	1
Tools & hardware	4	2
Automotive parts	4	2
Fabricated metal products	4	3

SOURCE: PERSONNEL CORP. OF AMERICA.

O'Connell minimizes the yawning gap, explaining that "industries where the buyers are predominantly female tend to hire saleswomen. Conversely, of course, industries where the buyers are predominantly male tend to hire salesmen."

Maybe so, but one wonders whether there is an emerging parallel to the situation where black and Hispanic sales representatives are only hired to call on stores in ghetto neighborhoods. Certainly, the fact that college-educated women are entering sales at a faster pace than college-educated males, especially in engineering fields, argues that saleswomen, potentially at least, should be as adept at selling fabricated metal parts and general machinery as at selling textiles and food products.

A principal reason why the 40% gap between male and female pay persists is that until recent years, working women traditionally concentrated in low-paying jobs, such as nursing and waitressing, which were known as "pink ghettos." That picture is shifting rapidly as women move into heretofore male-dominated occupations.

O'Connell concedes that one of the aspects that will shape saleswomen's future progress will be their ability to breach the male buddy network that prevails among salespeople "and buyers, too; this is an often overlooked factor. A lot of sales are still consummated on the golf course and at other traditionally male-oriented activities, such as fishing and hunting weekends and pro football games. While this is decreasing in the face of intense offshore competition and dramatically changing distribution channels, close relations between male sellers and male buyers is still a fact of life."

If this is so, it's a fact of life that can't be changed too soon, especially in sales, where one of the profession's proud hallmarks has always been compensation based on performance, not gender. If "ambitious, self-confident" women perceive that sales, too, has its invisible bars to future progress and are forced to turn to other fields, it will be a costly waste of human resources that marketers can not afford in tomorrow's increasingly competitive environment. □

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